

2012: Millions face poverty and homelessness

Sarah Wrack

There's been no good news for people worried about their housing situation over Christmas and New Year.

From 1 January the government's various attacks on housing benefit were introduced. A report by the Chartered Institute of Housing showed that the reduction in the cap on the amount available will make a further 800,000 homes unaffordable to those receiving housing benefit.

Housing in London will be particularly affected. There won't even be enough affordable housing in the poorest areas of London. For example in Newham, east London, there are expected to be twice as many housing benefit claimants as there are homes that can be afforded on housing benefit alone.

It is likely that tens of thousands of low income families will be forced to leave the capital and everyone now accepts the inevitability of 'benefit ghettos' developing as they relocate elsewhere in the south east.

The changes are likely to push unemployment up as people are forced to areas with fewer jobs and are unable to afford to travel to big towns because of rocketing train prices. Homelessness will rise. In the 'shanty towns' that develop there will be all sorts of social problems resulting from poverty and unemployment.

The government has no solutions to the housing crisis. They recently unveiled plans to make it an offence to sub-let a council house. Housing minister Grant Shapps seems to think this is all that's needed to find homes for the five million people on council house waiting lists.

Labour frontbencher Maria Eagle pointed out that Shapps was trying to cover up the decline in af-



Millions of private tenants face losing their homes

fordable house building under the Con-Dems. She said "I think the issue about affordable housing is that there isn't enough of it." Hear hear. But let's not forget that during their time in government Labour continued and stepped up the Tories' programme of selling off publicly owned housing.

Private landlords and companies can't be trusted with public housing or public money. The Institute for Public Policy Research recently criticised construction firms for being more interested in trading land than building homes. They said "the government's new housing strategy does not make sufficient demands of the house builders. Instead, it offers them public land, money and

guarantees without a serious quid pro quo. The government must demand more bang for the taxpayer's buck – if it doesn't, the result will be subsidised stagnation and another lost decade of house building."

But the government will never demand that these private companies put people before profit, just as they won't force private landlords to do the same. They are a government of the rich, for the rich.

We need an immediate cap on private rents and for the housing benefit cuts to be reversed. And then we need a mass building and renovation programme of publicly owned affordable housing to deal with the housing crisis and to provide millions of jobs.

"Seismic collapse" of private pensions

Dave Carr

Government ministers have continually attempted to sow divisions between public and private sector workers over occupational pensions.

Pensions minister Francis Maude (£43,000 a year pensions entitlement) has told public sector workers to pay more in contributions, work longer and retire on less. His justification for this £3 billion pensions' robbery is that the majority of private sector workers aren't enrolled in final salary pension schemes, therefore it's 'unreasonable' for public sector workers to continue with their 'feather bedded' pensions.

But who is actually responsible for the lack of defined benefit pension schemes for workers in the private sector?

The latest report from the Association of Consulting Actuaries says there has been a "seismic collapse" in private sector pensions. It found that most private sector defined benefit pension schemes were closed to new entrants and that four out of ten are now closed to future accrual ie existing workers in such



photo Paul Mattsson

schemes cannot build up their pensions.

Earlier, in December 2011, the National Association of Pension Funds found that 23% of private sector pension schemes were now closed to more contributions from existing workers and 81% were closed to new entrants.

In other words, private sector employers have pulled the plug on their workers' pensions schemes. This is due to cost cutting measures to protect company profits.

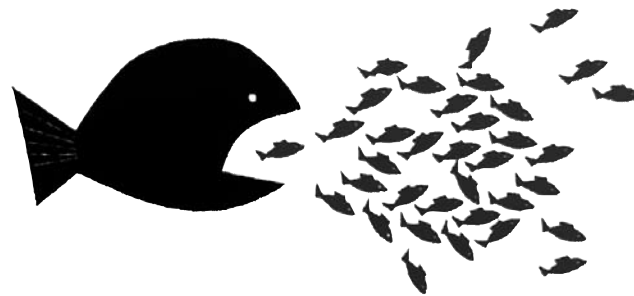
The demise of private sector workers' pension schemes has been going on for many years. It is the result of companies taking pensions contri-

butions 'holidays' during the boom years on the stock markets. However, when the markets went belly-up in recent years it left many schemes facing a contributions 'black hole' and company bosses simply closed their pensions schemes.

This shafting of private sector workers' pensions by bosses (who continue to accrue 'gold plated' pension pots) makes a mockery of the government's workplace pensions automatic enrolment scheme which is meant to start later this year.

The lesson for all workers is clear – cutting public sector pensions will not improve private sector workers' pensions by one iota.

Them...



The real scroungers

Benefit scroungers are destroying our economy, right? All those greedy, lazy people living off the hard work of others? But as the website Political Scrapbook pointed out, the average benefit fraud amounts to £59 a head whereas the average amount MPs were forced to re-pay in the expenses scandal was £1,858 – that's 31 times as much. People on benefits are facing mass unemployment and having to choose between heating their homes and feeding their families. We suppose those poor MPs must have had it 31 times as bad. All those greedy, lazy people living off the hard work of others.

Mind the gap

A YouGov poll has proven that no one is falling for the government's 'we're all in this together' rhetoric. 70% of those polled thought that the gap between rich and poor is too wide and that it will affect ordinary people. Even many Tory voters agreed! And 80% thought that companies have to "forego some profit to recognise a wider responsibility to their employees, customers and communities and invest more for the long term." Somehow we doubt many will listen.

The American dream

According to a recent poll in the US, Americans are shaking off their Tea Party image and growing increasingly open to the ideas of socialism. 31% of those polled had a positive view of socialism. And results among young people were even more stark. 49% of 18-29 year olds had a positive reaction to socialism compared to 47% feeling the same about capitalism. Is it any wonder given that 18% of 16-24 year olds are unemployed, and millions of young Americans face attacks on state education and welfare? Capitalism has failed young people in America and beyond and they are starting to look for alternatives.

Cameron's big lie

A poll of NHS doctors by Doctors.net.uk found that almost four out of five doctors (79%) have seen patient care suffer as a result of NHS cost-cutting measures. Clearly NHS workers are able to see through Cameron's 'promise' to "cut the deficit, not the NHS". They say that hospital bed closures, pressure to give patients cheaper, slower acting drugs, cuts to occupational health and reduced community health services are big causes of concern.

Patients are waiting longer in pain due to cuts; because hospitals are cutting services under pressure of a £20 billion 'savings' drive; because cash-strapped primary care trusts are holding back money to carry out the government's own restructuring plans and from other measures.

Roger Shrives

New Year Honourless

Paul Ruddock has been given a knighthood in the New Year Honours, supposedly for his charity work. He founded Lansdowne Partners, a hedge fund that made £100 million betting on the collapse of Northern Rock. He's also given £500,000 to the Tories in the past few years.

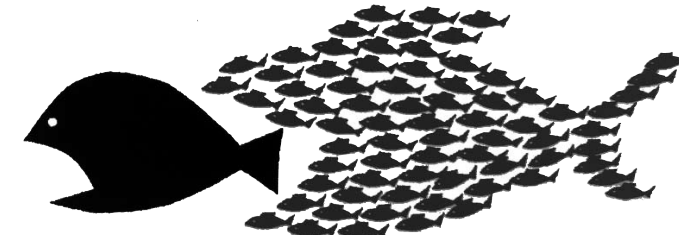
Labour's shadow cabinet minister, Michael Dugher, correctly attacked the honour. "This tells you everything you need to know about the Tories' priorities," he said.

But has he forgotten that Tony Blair and Gordon Brown encouraged private companies to take over more and more of the NHS? One of these companies, Circle, ran Independent Sector Treatment Centres under the Labour government, as well as private hospitals and clinics. Circle was financed by Health Investment Holdings Group, in which Sir Paul's Lansdowne Partners had a large stake.

After Blair left office, he received some of Sir Paul's famous 'charity', reportedly being paid £200,000 to deliver four speeches to Lansdowne executives.

Jon Dale

...& Us



'What we heard'

Great Expectations was on the telly. But for many young people, given the levels of joblessness and education cuts, the future, notwithstanding a generous benefactor, looks pretty bleak.

What an indictment of capitalism that on the bicentenary of Dickens'

birth Victorian living conditions are returning. I read in

the Socialist about the shortage of support for young single homeless people.

Then on Christmas Eve night I was met at my front door, not by Scrooge himself, but almost. Contracted by social services, he was there to evict the young couple who live in the flat above me. A neighbour had complained about noise.

(I can hear another neighbour snoring – small terraced flats in east London are not sound-proofed!) This is the insecurity and brutality of the free market in housing. Luckily on this occasion I was able to successfully argue in their favour and avert the eviction. But my new year's resolution is definitely to fight for a massive building and renovation programme of publicly owned housing.

Emma Smith

STOP PRESS: After 18 years, the parents of Stephen Lawrence, the black teenager killed in Eltham, south London in 1993, have seen two men, Gary Dobson and

David Norris convicted of their son's murder. More next week on a case that many people believe showed institutional racism in the Metropolitan Police.